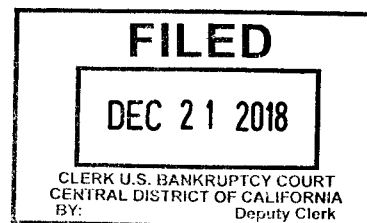


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**UNITED STATES BANKRUPTCY COURT**  
**CENTRAL DISTRICT OF CALIFORNIA**  
**NORTHERN DIVISION**

In re

CHANNEL TECHNOLOGIES  
GROUP, LLC,

Debtor.

CORPORATE RECOVERY  
ASSOCIATES, LLC, as Trustee for the  
Liquidating Trust of Channel  
Technologies Group, LLC

Plaintiff,

v.

Kevin Ruelas, Pierre Chao, John Mei,  
Lynn Chen, Christopher Holmes, Mark  
Shaw, Charles Miller, David Oldham,  
and DOES 1-10,

Defendants.

BK No. 9:16-bk-11912-DS

Chapter 11

Adv. No. 9:18-ap-01070-DS

**LEGAL MEMORANDUM IN  
SUPPORT OF MOTION TO  
DISMISS FOR FAILURE TO  
STATE CLAIM ON WHICH  
RELIEF CAN BE GRANTED**

**Fed. R. Civ. P. 12(b)(6); Fed. R.  
Bankr. P. 7012(b)**

**Filed concurrently: Notice of Motion  
and Motion to Dismiss; Request for  
Judicial Notice and Exhibits**

**Date: January 16, 2019**

**Time: 10:30 a.m.**

**Courtroom: 201**

**ORIGINAL**

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**MEMORANDUM OF POINTS AND AUTHORITIES**  
**IN SUPPORT OF MOTION TO DISMISS**

**I. INTRODUCTION.**

Plaintiff sued moving defendant Mark Shaw and others alleging two causes of action – breach of fiduciary duty and negligence – based on defendants’ alleged mismanagement of debtor Channel Technologies Group, LLC (“CTG”). Plaintiff, the trustee for the liquidating trust of CTG, filed the action in state court.<sup>1</sup> Defendants Miller, Chao, and Mei removed it to this Court, where the bankruptcy proceeding *In re Channel Technologies Group, LLC*, no. 9:16-bk-11912-DS (“CTG Bankruptcy”), is pending. Plaintiff filed a motion to remand or abstain on December 14, 2018. (Doc. 13.)

The validity of both the fiduciary duty and the negligence causes of action against Shaw depends entirely on whether Shaw was a statutory “Manager” of CTG, as that term is defined under California’s Revised Uniform Limited Liability Company Act, which became effective on January 1, 2014 (Cal. Corp. Code § 17701.02(n))<sup>2</sup> or under California’s previous limited liability company law, the Beverly-Killea Act (Cal. Corp. Code § 17001(w) (repealed)).<sup>3</sup> According to the allegations of the Complaint, Shaw owed duties to CTG *because* he was a statutory Manager of the LLC. But facts that this Court may judicially notice – including statements in pleadings filed by CTG and an order entered by this Court in CTG’s

---

<sup>1</sup> Superior Court of the State of California, County of Santa Barbara, case no. 18CV05060.

<sup>2</sup> “‘Manager’ means a person that under the operating agreement of a manager-managed limited liability company is responsible, alone or in concert with others, for performing the management functions stated in subdivision (c) of Section 17704.07.” (Cal. Corp. Code § 17701.02(n).)

<sup>3</sup> “‘Manager’ means a person elected by the members of a limited liability company to manage the limited liability company if the articles of organization contain the statement referred to in subdivision (b) of Section 17151 or, if the articles of organization do not contain that statement, “manager” means each of the members of the limited liability company. (Cal. Corp. Code § App. § 17001(w)(repealed).)

1 Bankruptcy – affirmatively show that Shaw was *never* a Manager of CTG and,  
2 thus, did not have any of the duties to CTG that plaintiff alleges he had.

3 Shaw anticipates that plaintiff will oppose this motion (or allege in an  
4 amended complaint) that he was a “manager” of CTG because he performed  
5 certain “managerial” tasks as an employee at CTG and/or was the “manager” of  
6 CTG’s engineering department. Consequently, it is important to keep in mind the  
7 distinction between a statutory LLC “Manager” and someone in a company who  
8 performs “managerial” tasks. As plaintiff acknowledges in paragraph 16 of the  
9 Complaint, a statutory “Manager” of an LLC – which is what plaintiff alleges  
10 Shaw was – is “vested with full, exclusive, and complete discretion to manage and  
11 control the affairs of an LLC.” This allegation comports with the definition of  
12 “Manager” under both California’s new and old LLC law, as set forth in footnotes  
13 2 and 3, above, and with a statutory Manager’s authority as described in Corp.  
14 Code, § 17704.07(c)(1) and in § 17157(b) of the former act. That authority is  
15 discussed below. The distinction is quite clear. A statutory LLC “Manager” runs  
16 the LLC, whether alone or with other statutory “managers.” That is vastly  
17 different from, say, the “manager” of the shoe department at the local Target. That  
18 person may perform certain “managerial” tasks – e.g., scheduling, directing  
19 employees to do specific jobs in the department, etc. – but he or she is in no way a  
20 “Manager” of an LLC as that term is defined under California law. He or she does  
21 not have “full, exclusive, and complete discretion to manage and control the affairs  
22 of” Target. This distinction is implicit in Corporations Code section 17704.09,  
23 which limits the fiduciary duties members of a manager-managed LLC have.<sup>4</sup>  
24 “[M]embers’ managerial roles are far more limited amid manager-managed  
25 LLCs.” Olson, Cal. Business Law Deskbook, § 3:22 (Dec. 2018), citing section  
26 17704.09. *See also White v. Ultramar, Inc.*, 21 Cal.4th 563, 566-67 (employee who

27 <sup>4</sup>Mr. Shaw was not a member of CTG. CTG had one member, BW Piezo (see  
28 Complaint, paragraph 15). \_\_\_\_\_.

1 has supervisory authority over other employees is not “managing agent” of  
2 corporation for purposes of California’s punitive-damage statute unless he or she  
3 “exercise[s] substantial independent authority and judgment in their corporate  
4 decisionmaking so that their decisions ultimately determine corporate policy”).

5 An essential element of a cause of action for breach of fiduciary duty and a  
6 cause of action for negligence is the existence of a duty that defendant owes  
7 plaintiff. *Slaieh v. Simons*, 584 B.R. 28, 41 (C.D. Cal. 2018) (breach of fiduciary  
8 duty); *Tinoco v. San Diego Gas & Elec. Co.*, \_\_\_ F.R.D. \_\_\_, 2018 WL 4252539,  
9 \*6 (S.D. Cal. 2018) (negligence) No duty, no tort.

10 “The existence of a duty is a question of law and thus is often suited to a  
11 Rule 12(b)(6) disposition.” *Sliders Trading Co., L.L.C. v. Wells Fargo Bank NA*,  
12 2017 WL 6539843, \*8 (citation omitted). Hence, this motion.

## 13 **II. STANDARD FOR RULING ON 12(B)(6) MOTION.**

14 A motion to dismiss under Rule 12(b)(6)

15 tests the legal sufficiency of the claims asserted in the complaint.

16 *Ileto v. Glock, Inc.*, 349 F.3d 1191, 1199–1200 (9th Cir. 2003).

17 In reviewing a motion to dismiss under Rule 12(b)(6), a court  
18 may consider the complaint, documents attached to the  
19 complaint, documents incorporated by reference in the  
20 complaint, and matters of judicial notice. *See United States v.*  
21 *Ritchie*, 342 F.3d 903, 908 (9th Cir. 2003) (citations omitted). A  
22 court accepts the plaintiff’s factual allegations in the complaint  
23 as true and construes them in the light most favorable to the  
24 plaintiff. *See Shwarz v. United States*, 234 F.3d 428, 435 (9th  
25 Cir. 2000) (citation omitted). ...

1 ... “While legal conclusions can provide the framework of a  
2 complaint, they must be supported by factual allegations.”  
3 *Ashcroft v. Iqbal*, 556 U.S. 662, 679 (2009). To plead  
4 sufficiently, a plaintiff must proffer “enough facts to state a  
5 claim to relief that is plausible on its face.” *Bell Atl. Corp. v.*  
6 *Twombly*, 550 U.S. 544, 570 (2007). “A claim has facial  
7 plausibility when the plaintiff pleads factual content that allows  
8 the court to draw the reasonable inference that the defendant is  
9 liable for the misconduct alleged.” *Iqbal*, 556 U.S. at 678  
10 (citation omitted).

11 *Shane v. Florida Bottling, Inc.*, 2017 WL 8240786 at \*3 (C.D. Cal. 2017).

### 12 **III. THE COMPLAINT’S REFERENCES TO SHAW.**

13 The Complaint mentions Shaw in the following paragraphs:

- 14 • **Paragraph 9** identifies Shaw as a defendant.
- 15 • **Paragraph 16** states, in part: “During the relevant time alleged  
16 herein,” Shaw and the other defendants “served as managers of CTG.”
- 17 • **Paragraph 25**, in the first bulleted subparagraph, alleges that Shaw  
18 was a part of CTG’s “management” in January 2016. The remainder of paragraph  
19 25 alleges examples of how CTG’s management “strung along” the company’s  
20 creditors in January and February 2016.
- 21 ▪ **Paragraph 26** alleges that CTG’s “precarious financial condition,”  
22 which apparently caused the company to “string along” its creditors, was  
23 “apparently due to a variety of factors,” which are then set out, with references to  
24 allegedly supporting e-mails, not one of which was to or from Shaw.
- 25 • **Paragraph 27** alleges that Shaw was part of CTG’s “management” in  
26 March 2016.



1       •     **Paragraph 31**, in the cause of action for breach of fiduciary duty,  
2 alleges that Shaw was a “manager” of CTG, and therefore owed CTG fiduciary  
3 duties.

4       ▪     **Paragraph 32** alleges that Shaw and the other defendants breached  
5 their fiduciary duties, set out in paragraph 31, in various ways.

6       •     **Paragraph 35**, in the cause of action for negligence, alleges that  
7 Shaw owed duties to CTG as a “manager, officer, director, or controller” of the  
8 company.

9       ▪     **Paragraph 36** alleges that Shaw and the other defendants breached  
10 the duties alleged in paragraph 35 in various ways.

11       The Complaint merely alleges the legal conclusion that Shaw was a  
12 “manager” or part of the “management” of CTG. It does not allege any facts to  
13 support that conclusion. *See Sahagun-Pelayo v. U.S.*, 602 Fed.Appx. 822, 826  
14 (Fed.Cir. 2015) (“bare statement” that defendant had “actual authority” was “mere  
15 legal conclusion which would not be entitled to the favorable inferences of a  
16 factual allegation”); *Thompson v. Willis*, 2015 WL 3676139, \*18 (N.D. Ala. 2015)  
17 (absent supporting factual allegations, court not required to accept truth of  
18 “speculative legal conclusion” that defendant was “policy maker”); *Tockstein v.*  
19 *Spoeneman*, 2008 WL 1805372, \*3 (E.D. Mo. 2008) (allegation that plaintiff “had  
20 authority to act on behalf of” third person was “merely a legal conclusion  
21 unsupported by factual allegations).

22       “[T]he tenet that a court must accept as true all of the allegations contained  
23 in a complaint is inapplicable to legal conclusions. Threadbare recitals of the  
24 elements of a cause of action, supported by mere conclusory statements, do not  
25 suffice.” *Iqbal*, 556 U.S. at 678. “While legal conclusions can provide the  
26 framework of a complaint, they must be supported by factual allegations.” *Id.* at  
27 679; *see also Oxford Asset Mgmt. v. Jaharis*, 297 F.3d 1182, 1188 (11th Cir. 2002)

1 (“conclusory allegations, unwarranted deductions of facts or legal conclusions  
2 masquerading as facts will not prevent dismissal”).

3 That alone is sufficient for the Court to grant Shaw’s motion. But there is  
4 more.

5 **IV. JUDICIALLY NOTICEABLE DOCUMENTS SHOW THAT SHAW**  
6 **WAS NOT A MANAGER OR AN INSIDER OF CTG, AND THUS DID**  
7 **NOT OWE ANY DUTY TO CTG.**

8 **A. Shaw Was Not A Manager Of CTG. Thus, He Had No Authority**  
9 **Over How CTG’s Business Was Run.**

10 Documents filed with the California Secretary of State, in CTG’s  
11 Bankruptcy, and the allegations in Plaintiff’s complaint show that persons other  
12 than Shaw were managers of CTG at all times from its formation to the filing of its  
13 Bankruptcy on October 14, 2016:

14 • **CTG’s Articles of Organization**, filed December 28, 2011, evidence  
15 the conversion of Channel Technologies Group, Inc., to Channel Technologies  
16 Group, LLC. These state that CTG will be managed by “more than one manager.”  
17 Section 3.1 of CTG’s Articles of Organization states, “The responsibility for  
18 managing the business and affairs of the Company shall be delegated to two  
19 Managers, who, effective as of the date of this Agreement, shall be Kevin Ruelas  
20 and Pierre Chao....” (*Request for Judicial Notice (“RJN”)* Ex. 1, pg. 4; and Exhibit  
21 1 to Plaintiff’s complaint).

22 ▪ Paragraph 16 of the Complaint alleges CTG’s Operating Agreement  
23 named Mr. Ruelas and Mr. Chao as CTG’s managers.

24 ▪ Paragraph 18 of the Complaint asserts Mr. Ruelas was “replaced as a  
25 manager and officer with Ralph L. Phillips” in June of 2013.

1 • **CTG's Statement of Information**, filed December 1, 2014 identifies  
2 Ralph Phillips as CTG's Chief Executive Officer, and Phillips and John Mei as its  
3 managers. *RJN*, Ex. 2, pg. 6.

4 • **A Certificate of Merger**, filed December 28, 2015, evidencing the  
5 merger of Materials Systems, LLC, into CTG, identifies Ralph Phillips and Lynn  
6 Chen as the managers of both entities. *RJN*, Ex. 3, pg. 8.

7 • **CTG's Statement of Information**, filed February 16, 2016, identifies  
8 Ralph Phillips as CTG's Chief Executive Officer, and Phillips and Lynn Chen as  
9 the LLC's managers. *RJN*, Ex. 4, pg. 10.

10 • **CTG's Second Status Report**, filed April 4, 2017 in CTG's  
11 Bankruptcy (*RJN*, Ex. 7, pg.,147) contains a summary of changes to CTG's  
12 "management team" from early 2016 through September of 2016. That report  
13 states:

14 During 2016, CTG undertook significant changes to its management  
15 team. Among other changes, in January 2016, Christopher Holmes  
16 ("Holmes") was named CTG's Chief Executive Officer (succeeding  
17 Ralph Phillips); in February 2016, David Oldham, a consultant of  
18 BWP, was appointed acting Chief Financial Officer, and Arsen  
19 Melconian was promoted to Chief Technology Officer; in April 2016,  
20 William Cidzik was appointed Vice President - Program  
21 Management; and in May 2016, Art Krokus was named Vice  
22 President - Operations. On or about September 23, 2016, Holmes  
23 ceased employment with CTG, and CTG has not appointed a new  
24 CEO. As of or about September 20, 2016, CTG retained CR3  
25 Partners, LLC ("CR3") as its restructuring advisor; pursuant to the  
26 parties' engagement agreement, as of the Petition Date, and David  
27 Tiffany has been serving as the Debtor's Chief Restructuring Officer.

1 In short, the various documents filed with the California Secretary of State,  
2 the “who’s who” description of CTG’s management team contained in the Second  
3 Status Report, and the allegations in the complaint cover the entire history of  
4 CTG’s existence from formation in 2011 to the filing of its bankruptcy proceeding  
5 in October 2016. That history illuminates brilliantly that Shaw was never a  
6 manager of CTG nor part of CTG’s “management team.” Those documents refute  
7 the unsupported allegations in the Complaint that Shaw was a Manager of the  
8 LLC.

9 Shaw’s non-Manager status is important because, as plaintiff itself  
10 acknowledges in the Complaint, “Managers” of an LLC are “vested with *full,*  
11 *exclusive, and complete discretion* to manage and control the affairs of an LLC.”  
12 *Complaint*, ¶ 16 (italics added). That is a correct statement under both the old and  
13 current versions of California’s LLC law. (Thus, for purposes of this motion, it is  
14 not necessary to determine whether the “old” or the “new” law applies; both are  
15 the same.)

16 California Corporations Code § 17704.07(c)(1), California’s current LLC  
17 law, states, “In a manager-managed limited liability company, the following rules  
18 apply: Except as otherwise expressly provided in this title, any matter relating to  
19 the activities of the limited liability company is decided exclusively by the  
20 managers.”<sup>5</sup>

21 Section 17157(b)(2) of California’s former LLC law stated that if an LLC’s  
22 articles of organization provided that the LLC would be managed by managers (as  
23 opposed to members), “[e]very manager is an agent of the limited liability  
24 company for the purpose of its business or affairs, and the act of any manager ...  
25 binds the limited liability company ....” Further, “[n]o member, acting solely in the  
26 capacity of a member, is an agent of the limited liability company nor can any

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27  
28 <sup>5</sup> CTG was “manager-managed.” (CTG’s Articles of Organization, *RJN*, Ex. 1.)

1 member bind, nor execute any instrument on behalf of, the limited liability  
2 company.” Corp. Code, former § 17157(b)(1). Thus, under California’s old LLC  
3 law, in a manager-managed LLC, the managers have exclusive authority to act on  
4 behalf of the LLC.

5 In sum, when an LLC is manager-managed, as CTG was, the managers have  
6 full and exclusive authority to run the business. If you were not a statutory  
7 Manager, you had no authority over how CTG would be run, and thus no duty to  
8 “manage” CTG in a certain way. Shaw was not a statutory manager. He did not  
9 have any of the duties ascribed to him by the Complaint.

10 **B. This Court Has Already Found That Shaw Was Not An “Insider”**  
11 **Of CTG. Thus, Even Though He Was Not A Named “Manager”**  
12 **Of The LLC, He Still Could Not Have Asserted Managerial**  
13 **Authority Over CTG, And Therefore Had No Duty – Fiduciary**  
14 **Or Otherwise – To “Manage” CTG In A Certain Way.**

15 If Shaw had been a “manager” of CTG, he would have had “full, exclusive,  
16 and complete discretion to manage and control the affairs of CTG.” *Complaint*, ¶  
17 16. In other words, he would have been an “insider” under section 101(31) of the  
18 Bankruptcy Code. Although section 101(31) does not explicitly define “managers”  
19 and others in positions of management responsibility with an LLC as “insiders,”  
20 the court in *In re CEP Holdings, LLC*, 2006 WL 3422665 (Bankr. N.D. Ohio 2006)  
21 concluded that the statutory definition of officers of a corporation as corporate  
22 insiders should be applied to determine insider status for an LLC. *Id.* at \*1, n.1.  
23 But the court also said that the title bestowed on a potential insider would not be  
24 determinative; *the appropriate test was the actual position and responsibility of the*  
25 *insider.*

26 Similarly, the Ninth Circuit, in *In re The Village at Lakeridge, LLC*, 814  
27 F.3d 993 (9th Cir. 2016), said:

1 An insider is one who has a sufficiently close relationship with  
2 the debtor that his conduct is made subject to closer scrutiny than  
3 those dealing at arms [*sic*] length with the debtor. We recognize  
4 two types of insiders: statutory insiders and non-statutory  
5 insiders. Statutory insiders, also known as “per se insiders,” are  
6 persons explicitly described in 11 U.S.C. § 101(31), *such as*  
7 “*person[s] in control of the debtor.*” As a matter of law, a  
8 statutory insider has a sufficiently close relationship with a  
9 debtor to warrant special treatment. ...

10 A non-statutory insider is a person who is not explicitly listed in  
11 § 101(31), but who has a sufficiently close relationship with the  
12 debtor to fall within the definition.

13 *Id.* at 999 (italics added, citations and internal quotation marks omitted, “[*sic*]” in  
14 original).

15 *This Court has already found that Shaw is not an “insider” for purposes of*  
16 *section 101(31).*

17 On March 1, 2017, CTG filed a motion in its bankruptcy to sell certain  
18 assets of its Sonatech division to Sonatech, LLC, a new entity formed by a few  
19 employees of CTG (including Shaw), for the specific purpose of buying those  
20 assets. *In re Channel Technologies Group, LLC*, Doc. 211. *RJN, Ex. 5, pg. 12.* In  
21 arguing for approval of the sale, CTG represented to the Court that Sonatech, LLC,  
22 was owned by “non-insider” employees of CTG – i.e., CTG represented to this  
23 Court that Shaw was not a CTG “insider.” *Id.*, p. 2, ll. 7-8; p. 5, ll. 20-21; The  
24 motion was supported by a declaration from David Tiffany, CTG’s Chief  
25 Restructuring Officer, who stated under oath that Sonatech, LLC, “is owned by  
26 certain non-insider employees of” CTG. *Id.*, p. 9, ll. 26-27.

1 This Court granted CTG's motion and entered an order on March 22, 2017,  
2 authorizing CTG to sell the assets to Sonatech, LLC. In that order Judge Carroll  
3 affirmatively found that Sonatech, LLC, was "not an 'insider' of [CTG] ... as that  
4 term is defined in section 101 of the Bankruptcy Code." *In re Channel*  
5 *Technologies Group, LLC*, Doc. 230, p. 3, ll. 13-14. *RJN, Ex. 6, pg. 134*. The  
6 order also stated that "where appropriate herein, findings of fact shall be deemed  
7 conclusions of law and conclusions of law shall be deemed findings of fact." *Id.*, p.  
8 5, ll. 4-5. *The order further provided that its terms and provisions are binding on*  
9 *any trustee appointed in the case. Id.*, p. 5, ll. 6-9; p. 7, l. 21 – p. 8, l. 4.

10 Judge Carroll did not just pull his findings out of thin air. He made those  
11 findings after considering Shaw's actual position and responsibilities within CTG,  
12 which led to the inevitable conclusion that Shaw was not a person in control of the  
13 LLC, and thus, not an "insider" and thus, not a "manger" of CTG.

14 After the order allowing the assets to be sold was entered, CTG confirmed  
15 the sale was to non-insider employees – i.e., including Shaw – in its Second Status  
16 Report, filed on April 4, 2017: "The Debtor determined to sell certain equipment ...  
17 to Sonatech, LLC ("Sonatech"). *Sonatech represents certain non-insider*  
18 *employees that have requisite security clearance to work on classified projects."*  
19 *CTG's Second Status Report*, Doc. 251, p. 10, ll. 16-19. (italics added). *RJN, Ex. 7,*  
20 *pg. 144*.

21 Sonatech, LLC, was not an "insider" because it was owned by "non-insider"  
22 employees of CTG. Therefore, Shaw, one of those owners, was not an insider of  
23 CTG. Because he was not an insider, he could not have had "full, exclusive, and  
24 complete discretion to manage and control the affairs of CTG" – i.e., he could not  
25 have been a "Manager" for purposes of California's LLC law (old or new).

26 Because Shaw was not an "insider" or a "Manager" of CTG, he was not its  
27 fiduciary. He did not owe CTG any fiduciary or general duties of care which could  
28


1 be breached. This conclusion is binding on plaintiff under the unambiguous  
2 language of this Court's March 22, 2017 order.

3 **V. CONCLUSION.**

4 The Complaint's causes of action against Shaw rest on a flawed premise –  
5 that Shaw was a statutory Manager of CTG. He was not. Even if plaintiff had  
6 alleged facts to support the legal conclusion that Shaw was a Manager, those  
7 factual allegations are quickly refuted by documents that the Court may judicially  
8 notice. If Shaw was not a Manager of CTG, he owed the LLC none of the duties  
9 alleged by the Complaint. As stated above, no duty, no tort. The Court should  
10 grant Shaw's motion and dismiss the Complaint.

11  
12  
13 DATED: December 21, 2018

REICKER, PFAU, PYLE & MCROY LLP

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16   
17 Timothy J. Trager  
18 Attorneys for Defendant Mark Shaw  
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Corporate Recovery Associate, LLC v. Kevin Ruelas, et al.

Adversary Case No. 9:18-ap-11912-DS

**PROOF OF SERVICE OF DOCUMENT**

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:  
1421 State Street, Ste. B, Santa Barbara, CA 93101

A true and correct copy of the foregoing document entitled (*specify*): **DEFENDANT MARK SHAW'S LEGAL MEMORANDUM IN SUPPORT OF MOTION TO FOR FAILURE TO STATE CLAIM ON WHICH RELIEF CAN BE GRANTED**

will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On December 21, 2018, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☐ Service information continued on attached page

**2. SERVED BY UNITED STATES MAIL:**

On **December 21, 2018**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) **December 21, 2018**, served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Via Overnight Mail:

The Honorable Deborah Saltzman  
U.S. Bankruptcy Court  
Roybal Federal Building, Ste. 1634  
255 E. Temple Street  
Los Angeles, CA 90012

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

December 21, 2018

Date

Kim Stanley

Printed Name

Kim Stanley

Signature

*Corporate Recovery Associate, LLC v. Kevin Ruelas, et al.*  
Adversary Case No. 9:18-ap-11912-DS

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